GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4339
ANSWERED ON:28.03.2017
Pilferage of Foodgrains
Singh Shri Raj Kumar

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is true that at least fifty per cent of the food grains meant for the poor through the Fair Price Shops under Food Security Act is sold in the black market and the poor get the grain only once in two or three months, if so, the details thereof;
(b) whether the Government is aware that such irregularities is happening in connivance with the officials of the Food Corporation of India, the State Food Corporations, the transporters, the fair price shopkeepers, the supply officials and even dignitaries in the State Governments, if so, the details thereof;
(c) whether the Government is aware that in some States the kerosene dealers charge a higher price, if so, the details thereof and the reasons therefor;
(d) whether the Government is aware that as a result of such malpractices the above categories of people have amassed a lot of ill gotten wealth; and
(e) whether the Government propose to carry out investigations and identify such persons and take steps to confiscate their ill gotten wealth, and if not, the reasons therefor?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a) to (e): Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and the State/UT Governments. Central Government is responsible for procurement, allocation and transportation of foodgrains [i.e. Wheat Rice and Coarse Grain] upto the designated depots of the Food Corporation of India(FCI). The operational responsibilities for intra-state allocation and distribution of foodgrains within the States/UTs, identification of eligible beneficiaries, issuance of ration cards to them and supervision over and monitoring of functioning of Fair Price Shops (FPSs) etc. rest with the concerned State/UT Governments. Clause 13 of the TPDS[Control] Order 2015 stipulates that if any person contravenes any of the provisions of said Order, he shall be liable to punishment under Section 7 of the Essential Commodities Act. 1955[10 of 1955].
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There have been complaints/reports from individuals and organizations as well as through press reports relating to untimely supply of foodgrains, leakage/diversion, inclusion/exclusion errors, bogus/ineligible ration cards being in circulation, diversion/theft of foodgrains, irregular functioning of FPS, beneficiaries not getting their entitled quota of foodgrains and allotment of fair price shops in an arbitrary manner, etc. Under National Food Security [NFSA] Act, 2013 and Targeted Public Distribution System[TPDS] (Control) Orders, responsibility of addressing all these issues falls under the purview of respective State/UT Governments. Therefore, as and when shortcomings/complaints are received by this Department, these are referred to the State/UT Governments concerned for inquiry and appropriate action.
As far as issue of overcharging by Kerosene dealers is concerned, Ministry of Petroleum and Natural Gas has informed that distribution of the PDS Superior Kerosene Oil (SKO) within the State/UT through their PDS network to various categories of ration card holders is the responsibility of the respective State/UT Government. Central Government have made provisions in the Kerosene (Restriction on Use and Fixation of Ceiling Price) Order, 1993, issued under the Essential Commodities Act, 1955, as per which dealers have to sell PDS Kerosene at a price fixed by the Government or Oil Marketing Companies (OMCs) and have to prominently display stock-cum-price board at the place of business including the place of store at a conspicuous place. Under this Control Order, State Governments are also empowered to take action against those indulging in black-marketing and other irregularities.
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